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IN THE UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA, Plaintiff, v. SHAHRIAR LOLOEE, Defendant.	CASE NO. 2:23-cr-320 TLN PLEA AGREEMENT DATE: April 23, 2026 TIME: 9:30 a.m. COURT: Hon. Troy L. Nunley

I. INTRODUCTION

A. Scope of Agreement.

The superseding indictment in this case charges the defendant with violations of 18 U.S.C. § 371, 18 U.S.C. § 1546(a), 18 U.S.C. § 1505(c), 18 U.S.C. § 1519, 26 U.S.C. § 7202, 26 U.S.C. § 7206(1), 18 U.S.C. § 1343, and 18 U.S.C. § 1956. This document contains the complete plea agreement between the United States Attorney's Office for the Eastern District of California (the "government") and the defendant regarding this case. This plea agreement is limited to the United States Attorney's Office for the Eastern District of California and cannot bind any other federal, state, or local prosecuting, administrative, or regulatory authorities.

B. Court Not a Party.

The Court is not a party to this plea agreement. Sentencing is a matter solely within the discretion of the Court, and the Court may take into consideration any and all facts and circumstances concerning the criminal activities of the defendant, including activities which may not have been charged in the superseding indictment. The Court is under no obligation to accept any recommendations made by the government, and the Court may in its discretion impose any sentence it deems appropriate up to and including the statutory maximum stated in this plea agreement.

If the Court should impose any sentence up to the maximum established by the statute, the defendant cannot, for that reason alone, withdraw his guilty plea, and he will remain bound to fulfill all of the obligations under this plea agreement. The defendant understands that neither the prosecutor, defense counsel, nor the Court can make a binding prediction or promise regarding the sentence he will receive.

II. DEFENDANT'S OBLIGATIONS

A. Guilty Plea.

The defendant will plead guilty to Count One (violation of 18 U.S.C. § 371), Count Two (violation of 18 U.S.C. § 371), Counts Forty-Four through Forty-six (violation of 26 U.S.C. § 7206(1)), Count Fifty Three (violation of 18 U.S.C. § 1343), and Count Fifty-four (violation of 18 U.S.C. § 1956(a)(1)(B)(i)). The defendant agrees that he is in fact guilty of these charges and that the facts set forth in the Factual Basis for Plea attached hereto as Exhibit A ("factual basis") are accurate.

The defendant agrees that this plea agreement will be filed with the Court and become a part of the record of the case. The defendant understands and agrees that he will not be allowed to withdraw his plea(s) should the Court not follow the government's sentencing recommendations.

The defendant agrees that the statements made by him in signing this plea agreement, including the factual admissions set forth in the factual basis, shall be admissible and useable against the defendant by the United States in any subsequent criminal or civil proceedings, even if the defendant fails to enter a guilty plea pursuant to this Agreement. The defendant waives any rights under Fed. R. Crim. P. 11(f) and Fed. R. Evid. 410, to the extent that these rules are inconsistent with this paragraph or with this Agreement generally.

B. Restitution.

Pursuant to 18 U.S.C. § 3663A(c)(1)(A)(ii), the defendant agrees to pay restitution as follows:

- $1,198,486.71 to the United States Small Business Administration; and
- $239,660 to the United States Internal Revenue Service ("IRS"). Any restitution paid to the IRS shall be credited by the IRS against any amount the defendant owes the IRS, in accordance with standard IRS procedure. The defendant understands this agreement does not relieve the defendant from any legal obligation to pay additional amounts due and owing to the IRS. The defendant understands that nothing in this agreement restricts the United States or the IRS from initiating any collection or civil enforcement action relating thereto, nor does this agreement bar the defendant from civilly contesting any liabilities determined by the IRS, or bar the defendant from exercising his rights in collection proceedings as provided by the Internal Revenue code and standard IRS procedure.

The defendant understands that the factual basis of this plea agreement binds only the United States Attorney's Office for the Eastern District of California in this criminal case, and does not bind any agency of the United States in any other judicial, administrative, or other proceeding.

Restitution payments shall be by cashier's or certified check made payable to the Clerk of the Court.

The defendant agrees that all criminal monetary penalties imposed by the court, including restitution, will be due in full immediately at time of sentencing and subject to immediate enforcement by the government. The defendant agrees that any payment schedule or plan set by the Court is merely a minimum and does not foreclose the United States from collecting all criminal monetary penalties at any time through all available means.

The defendant further agrees that he will not seek to discharge any restitution obligation or any part of such obligation in any bankruptcy proceeding.

The defendant shall not sell, encumber, transfer, convey, or otherwise dispose of any of his assets without prior written consent of the United States Attorney, except that the defendant may sell, transfer or convey personal property (including used vehicles and personal items, but not financial instruments, ownership interests in business entities or real property) with an aggregate value of less than $5,000.

C. Fine.

The defendant reserves the right to argue to Probation and at sentencing that he is unable to pay a fine and no fine should be imposed. The defendant understands it is his affirmative burden to prove he is unable to pay a fine and agrees to provide a financial statement under penalty of perjury to the Probation Officer and the government in advance of the issuance of the draft Presentence Investigation Report, along with supporting documentation. The government retains the right to oppose the waiver of a fine. If the Court imposes a fine, the defendant agrees to pay such fine if and as ordered by the Court, up to the statutory maximum fine for the defendant's offenses.

D. Special Assessment.

The defendant agrees to pay a special assessment of $700 ($100 per Count) at the time of sentencing by delivering a check or money order payable to the United States District Court to the United States Probation Office immediately after the sentencing hearing.

E. Violation of Plea Agreement by Defendant/Withdrawal of Plea(s).

If the defendant violates this plea agreement in any way, withdraws his plea, or tries to withdraw his plea, this plea agreement is voidable at the option of the government. If the government elects to void the agreement based on the defendant's violation, the government will no longer be bound by its representations to the defendant concerning the limits on criminal prosecution and sentencing as set forth herein. A defendant violates the plea agreement by committing any crime or providing or procuring any statement or testimony which is knowingly false, misleading, or materially incomplete in any litigation or sentencing process in this case, or engages in any post-plea conduct constituting obstruction of justice. The government also shall have the right (1) to prosecute the defendant on any of the counts to which he pleaded guilty; (2) to reinstate any counts that may be dismissed pursuant to this plea agreement; and (3) to file any new charges that would otherwise be barred by this plea agreement. The defendant shall thereafter be subject to prosecution for any federal criminal violation of which the government has knowledge. The decision to pursue any or all of these options is solely in the discretion of the United States Attorney's Office.

By signing this plea agreement, the defendant agrees to waive any objections, motions, and defenses that the defendant might have to the government's decision. Any prosecutions that are not time-barred by the applicable statute of limitations as of the date of this plea agreement may be commenced in accordance with this paragraph, notwithstanding the expiration of the statute of limitations between the signing of this plea agreement and the commencement of any such prosecutions. The defendant agrees not to raise any objections based on the passage of time with respect to such counts including, but not limited to, any statutes of limitation or any objections based on the Speedy Trial Act or the Speedy Trial Clause of the Sixth Amendment to any counts that were not time-barred as of the date of this plea agreement. The determination of whether the defendant has violated the plea agreement will be under a probable cause standard.

In addition, (1) all statements made by the defendant to the government or other designated law enforcement agents, or any testimony given by the defendant before a grand jury or other tribunal, whether before or after this plea agreement, shall be admissible in evidence in any criminal, civil, or administrative proceedings hereafter brought against the defendant; and (2) the defendant shall assert no claim under the United States Constitution, any statute, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule, that statements made by the defendant before or after this plea agreement, or any leads derived therefrom, should be suppressed. By signing this plea agreement, the defendant waives any and all rights in the foregoing respects.

F. Forfeiture.

The defendant agrees to forfeit to the United States voluntarily and immediately all of his right, title, and interest to any and all assets subject to forfeiture pursuant 18 U.S.C. § 981(a)(1)(C), 18 U.S.C. § 982(a)(1), and 28 U.S.C. § 2461. Those assets include, but are not limited to, the following:

1. Personnel files containing counterfeit immigration documents seized from the Viva Supermarkets store and headquarters locations on October 26, 2023,

2. Approximately $949,900.00 from Bank of America account no. 0024-5216-6504,

3. Approximately $50,000.00 from Five Star Bank account no. 3303096, and

4. Approximately $22,465.94 from Cathay Bank account no. 0022214070.

The defendant agrees that the listed assets represent property connected to his crimes, constituting traceable proceeds or derivations thereof, and were used and intended to be used to commit criminal acts, and are therefore forfeitable to the United States based on violations of 18 U.S.C. §§ 1343 and 1956(a)(1)(B)(i).

The defendant agrees to fully assist the government in the forfeiture of the listed assets and to take whatever steps are necessary to pass clear title to the United States. The defendant shall not sell, transfer, convey, or otherwise dispose of any of his assets, including but not limited to, the above-listed assets.

The defendant agrees not to file a claim to any of the listed property in any civil proceeding, administrative or judicial, which may be initiated. The defendant agrees to waive his right to notice of any forfeiture proceeding involving this property, and agrees to not file a claim or assist others in filing a claim in that forfeiture proceeding.

The defendant knowingly and voluntarily waives his right to a jury trial on the forfeiture of assets, and waives all constitutional, legal and equitable defenses to the forfeiture of these assets in any proceeding. The defendant agrees to waive any jeopardy defense, and agrees to waive any claim or defense under the Eighth Amendment to the United States Constitution, including any claim of excessive fine, to the forfeiture of the assets by the United States. The defendant waives oral pronouncement of forfeiture at the time of sentencing, and any defenses or defects that may pertain to the forfeiture.

The parties agree that if any portion of the net proceeds from the forfeited assets are paid to victims through the remission or restoration process, the United States will recommend that the amount forfeited will be credited to the defendant's restitution obligation.

G. <u>Asset Disclosure.</u>

The defendant agrees to make a full and complete disclosure of his assets and financial condition, and will complete the United States Attorney's Office's "Authorization to Release Information" and "Financial Disclosure Statement" within three (3) weeks from the entry of the defendant's change of plea, including supporting documentation. The defendant also agrees to have the Court enter an order to that effect. The defendant understands that if he fails to complete truthfully and provide the described documentation to the United States Attorney's Office within the allotted time, he will be considered in violation of the agreement, and the government shall be entitled to the remedies set forth in section II.E above.

The defendant expressly authorizes the United States to immediately obtain a credit report to evaluate defendant's ability to satisfy any monetary penalty imposed by the court. The defendant also authorizes the U.S. Attorney's Office to inspect and copy all financial documents and information held by the U.S. Probation Office.

III. THE GOVERNMENT'S OBLIGATIONS

A. Dismissals/Other Charges.

The government agrees to move, at the time of sentencing, to dismiss without prejudice the remaining counts in the pending superseding indictment. The government also agrees not to reinstate any dismissed count except if this agreement is voided as set forth herein, or as provided in paragraphs II.E (Violation of Plea Agreement by Defendant/Withdrawal of Plea(s)), VI.B (Estimated Guideline Calculation), and VII.B (Waiver of Appeal and Collateral Attack) herein.

B. Recommendations.

1. Incarceration Range.

The government will recommend that the defendant be sentenced to the low end of the applicable guideline range as determined by the Court.

2. Acceptance of Responsibility.

The government will recommend a two-level reduction (if the offense level is less than 16) or a three-level reduction (if the offense level reaches 16) in the computation of his offense level if the defendant clearly demonstrates acceptance of responsibility for his conduct as defined in U.S.S.G. § 3E1.1. This includes the defendant meeting with and assisting the probation officer in the preparation of the Presentence Investigation Report, being truthful and candid with the probation officer, and not otherwise engaging in conduct that constitutes obstruction of justice within the meaning of U.S.S.G § 3C1.1, either in the preparation of the Presentence Investigation Report or during the sentencing proceeding.

C. Use of Information for Sentencing.

The government is free to provide full and accurate information to the Court and Probation, including answering any inquiries made by the Court and/or Probation and rebutting any inaccurate statements or arguments by the defendant, his attorney, Probation, or the Court. The defendant also understands and agrees that nothing in this Plea Agreement bars the government from defending on appeal or collateral review any sentence that the Court may impose.

IV. ELEMENTS OF THE OFFENSE

At a trial, the government would have to prove beyond a reasonable doubt the following elements of the offenses to which the defendant is pleading guilty:

Count One: 18 U.S.C. § 371 – Conspiracy to Obstruct Agency Proceedings

(1) There was an agreement between two or more persons commit at least one crime as charged in the indictment, to wit, obstruction of agency proceedings;
(2) The defendant became a member of the conspiracy knowing of at least one of its objects and intending to help accomplish it; and
(3) One of the members of the conspiracy performed at least one overt act for the purpose of carrying out the conspiracy.

Count Two: 18 U.S.C. § 371 – Conspiracy to Defraud the Internal Revenue Service

(1) There was an agreement between two or more persons to defraud the United States by obstructing the lawful functions of the Internal Revenue Service by deceitful means as charged in the indictment;
(2) The defendant became a member of the conspiracy knowing of at least one of its objectsand intending to help accomplish it;
(3) One of the members of the conspiracy performed at least one overt act for the purpose of carrying out the conspiracy.

Counts Forty-four – Forty-six: 26 U.S.C. § 7206(1) – Filing a False Tax Return

(1) The defendant signed and filed tax returns for the tax years 2017, 2018, and 2019 that he knew contained false information as to a material matter;
(2) The returns contained written declarations that they were being signed subject to the penalties of perjury;
(3) In filing the false tax returns, the defendant acted willfully.

Count Fifty-three: 18 U.S.C. § 1343 – Wire Fraud

(1) The defendant knowingly devised a scheme or plan to defraud for the purpose of obtaining money or property by means of false or fraudulent representations;
(2) The statements made as part of the scheme were material, that is, they had a natural tendency to influence, or were capable of influencing, a person to part with money or property;
(3) The defendant acted with the intent to defraud, that is, the intent to deceive and cheat; and
(4) The defendant used and caused to be used an interstate wire communication to carry out an essential part of the scheme.

Counts Fifty-four: 18 U.S.C. § 1956(a)(1)(B)(i) – Money Laundering

(1) The defendant conducted a financial transaction involving property that represented the proceeds of wire fraud;
(2) The defendant knew the property represented the proceeds of some form of illegal activity; and
(3) The defendant knew the transaction was designed in whole or in part to conceal the nature and source of the proceeds.

The defendant fully understands the nature and elements of the crimes charged in the superseding indictment to which he is pleading guilty, together with the possible defenses thereto, and has discussed them with his attorney.

V. MAXIMUM SENTENCE

A. Maximum Penalty.

The maximum sentence that the Court can impose is:

Counts One and Two (18 U.S.C. § 371): as to each count, five years of incarceration, a fine of $250,000 or twice the pecuniary gain or loss under 18 U.S.C. § 3571(d), a three year period of supervised release and a special assessment of $100.

Counts Forty-four through Forty-six (26 U.S.C. § 7206(1)): as to each count, three years of incarceration, a fine of $100,000 or twice the pecuniary gain or loss under 18 U.S.C. § 3571(d), a one year period of supervised release, and a special assessment of $100.

Count Fifty-three (18 U.S.C. § 1343): twenty years of incarceration, a fine of $250,000 or twice the pecuniary gain or loss under 18 U.S.C. § 3571(d), a three year period of supervised release, and a special assessment of $100.

Count Fifty-four (18 U.S.C. § 1956(a)(1)(B)(i)): twenty years of incarceration, a fine of $500,000 or twice the value of the property involved in the transaction, whichever is greater, a three year period of supervised release, and a special assessment of $100.

By signing this plea agreement, the defendant also agrees that the Court can order the payment of restitution for the full loss caused by the defendant's wrongful conduct. The defendant agrees that the restitution order is not restricted to the amounts alleged in the specific count(s) to which he is pleading guilty. The defendant further agrees, as noted above, that he will not attempt to discharge in any present or future bankruptcy proceeding any restitution imposed by the Court.

B. Violations of Supervised Release.

The defendant understands that, if he violates a condition of supervised release at any time during the term of supervised release, the Court may revoke the term of supervised release and require the defendant to serve:

Counts One, Two, Fifty-three, and Fifty-four: up to two additional years of imprisonment.

Counts Forty-four through Forty-six: up to one additional year of imprisonment.

VI. SENTENCING DETERMINATION

A. Statutory Authority.

The defendant understands that the Court must consult the Federal Sentencing Guidelines and must take them into account when determining a final sentence. The defendant understands that the Court will determine a non-binding and advisory guideline sentencing range for this case pursuant to the Sentencing Guidelines and must take them into account when determining a final sentence. The defendant further understands that the Court will consider whether there is a basis for departure from the guideline sentencing range (either above or below the guideline sentencing range) because there exists an aggravating or mitigating circumstance of a kind, or to a degree, not adequately taken into consideration by the Sentencing Commission in formulating the Guidelines. The defendant further understands that the Court, after consultation and consideration of the Sentencing Guidelines, must impose a sentence that is reasonable in light of the factors set forth in 18 U.S.C. § 3553(a).

B. Estimated Guideline Calculation.

The government and the defendant agree that the following is their present best estimate of the sentencing guidelines variables. These estimates shall not be binding on the Court, the Probation Office, or the parties:

1. Offense Levels for Counts of Conviction

Count One: 18 U.S.C. § 371 – Conspiracy to Obstruct Agency Proceedings

Base Offense Level: 16 (§ 2X1.1(a))

Base offense level for the substantive offense: 14 (§ 2J1.2(a))

+2 – conduct otherwise extensive (§ 2J1.2(b)(3))

+2 – organizer, leader, manager, or supervisor of criminal activity (§ 3B1.1(c))

Total: 18

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Count Two: 18 U.S.C. § 371 – Conspiracy to Defraud the Internal Revenue Service

Base Offense Level: 16 (§ 2T1.9(a)(1))

Base offense level under § 2T1.1: 16 (§ 2T1.1(a)(1), with reference to § 2T4.1(F), tax loss of $239,660)

+2 – organizer, leader, manager, or supervisor of criminal activity (§ 3B1.1(c))

Total: 18

Counts Forty-four through Forty-six: 26 U.S.C. § 7206(1) – Filing a False Tax Return

Base Offense Level: 12 (§ 2T1.1 with reference to § 2T4.1(D), total tax loss of $32,103)

Total: 12

Count Fifty-three: 18 U.S.C. § 1343 – Wire Fraud

Base Offense Level: 7 (§ 2B1.1(a))

+ 14 – loss of $1,198,486.71 (§ 2B1.1(b)(1)(H))

+2 – pandemic relief fraud (§ 2B1.1(b)(12))

Total: 23

Count Fifty-four: 18 U.S.C. § 1956 – Money Laundering

Base Offense Level: 23 (§ 2S1.1(a)(1), offense level for the underlying offense (Count 53))

+2 – 18 U.S.C. § 1956 conviction (§ 2S1.1(b)(2)(A))

Total: 25

2. **Grouping**

Count One will not group with any other count of conviction.

Tax Group: Counts Two and Forty-four through Forty-six group pursuant to § 3D1.2(c), which results in an offense level for the group of 18.

Laundering Group: Counts Fifty-three and Fifty-four group pursuant to § 3D1.2(c), *see* § 2S1.1, App. N. 6, which results in an offense level for the group of 25.

3. **Combined Offense Level**

Because the offense level for the Laundering Group has the highest offense level, it counts as one Unit.

Because the offense level for Count One is 7 levels less serious than the offense level for the Laundering Group, it counts as one-half Unit under § 3D1.4(b).

Because the offense level for the Tax Group is 7 levels less serious than the offense level for the Laundering Group, it counts as one-half Unit under § 3D1.4(b).

The total number of Units is 2, which results in an increase of 2 levels to the Laundering Group and, consequently, a combined offense level of 27.

The parties agree that they will not seek or argue in support of any other specific offense characteristics, Chapter Three adjustments (other than the decrease for "Acceptance of Responsibility"), or cross-references.

The defendant is free to recommend to the Court whatever sentence he believes is appropriate under 18 U.S.C. § 3553(a). The government will recommend a sentence at the low end of the sentencing guideline range as determined by the Court.

VII. WAIVERS

A. Waiver of Constitutional Rights.

The defendant understands that by pleading guilty he is waiving the following constitutional rights: (a) to plead not guilty and to persist in that plea if already made; (b) to be tried by a jury; (c) to be assisted at trial by an attorney, who would be appointed if necessary; (d) to pursue any affirmative defenses, Fourth Amendment or Fifth Amendment claims, constitutional challenges to the statutes of conviction, and other pretrial motions that have been filed or could be filed; (e) to subpoena witnesses to testify on his behalf; (f) to confront and cross-examine witnesses against him; and (g) not to be compelled to incriminate himself.

B. Waiver of Appeal and Collateral Attack.

The defendant understands that the law gives the defendant a right to appeal his guilty pleas, convictions, and sentence. The defendant agrees as part of his plea(s), however, to give up the right to appeal the guilty pleas, convictions, and the sentence imposed in this case as long as the sentence does not exceed the statutory maximum(s) for the offense(s) to which he is pleading guilty. The defendant understands that this waiver includes, but is not limited to, any and all constitutional and/or legal challenges to the defendant's convictions and guilty pleas, including arguments that the statutes to which the defendant is pleading guilty are unconstitutional, and any and all claims that the factual basis attached to this agreement is insufficient to support the defendant's guilty pleas. The defendant specifically gives up the right to appeal any order of restitution the Court may impose.

Notwithstanding the defendant's waiver of appeal, the defendant will retain the right to appeal if one of the following circumstances occurs: (1) the sentence imposed by the District Court exceeds the statutory maximum; and/or (2) the government appeals the sentence in the case. The defendant understands that these circumstances occur infrequently and that in almost all cases this plea agreement constitutes a complete waiver of all appellate rights.

In addition, regardless of the sentence the defendant receives, the defendant also gives up any right to bring a collateral attack, including a motion under 28 U.S.C. § 2255 or § 2241, challenging any aspect of the guilty pleas, convictions, or sentence, except for non-waivable claims.

Notwithstanding the government's agreements in paragraph III.A above, if the defendant ever attempts to vacate his plea(s), dismiss the underlying charges, or modify or set aside his sentence on any of the counts to which he is pleading guilty, the government shall have the rights set forth in Section II.E herein.

VIII. ENTIRE PLEA AGREEMENT

Other than this plea agreement, no agreement, understanding, promise, or condition between the government and the defendant exists, nor will such agreement, understanding, promise, or condition exist unless it is committed to writing and signed by the defendant, counsel for the defendant, and counsel for the United States.

IX. APPROVALS AND SIGNATURES

A. Defense Counsel.

I have read this plea agreement and have discussed it fully with my client. The plea agreement accurately and completely sets forth the entirety of the agreement. I concur in my client's decision to plead guilty as set forth in this plea agreement.

Dated: 4-23-26

TOM JOHNSON
Attorney for Defendant

B. Defendant:

I have read this plea agreement and carefully reviewed every part of it with my attorney. I understand it, and I voluntarily agree to it. Further, I have consulted with my attorney and fully understand my rights with respect to the provisions of the Sentencing Guidelines that may apply to my case. No other promises or inducements have been made to me, other than those contained in this plea agreement. In addition, no one has threatened or forced me in any way to enter into this plea agreement. Finally, I am satisfied with the representation of my attorney in this case.

Dated: 4/23/26

SHAHRIAR LOLOEE
Defendant

C. **Attorney for United States:**

I accept and agree to this plea agreement on behalf of the government.

Dated: 4/23/26

ERIC GRANT
United States Attorney

AUDREY B. HEMESATH
MATTHEW THUESEN
SAM STEFANKI
Assistant United States Attorneys

EXHIBIT "A"

Factual Basis for Pleas

Shahriar Loloee has owned and operated a chain of supermarkets called Viva Supermarket in the Sacramento area since in or about August 2008 and continuing through at least March 2024. At its peak, which included the time relevant to the superseding indictment, Viva Supermarket consisted of four retail supermarkets and one corporate headquarters, collectively employing approximately 150 people.

Obstruction of Department of Labor Investigation: On three occasions between 2008 and 2020, the United States Department of Labor investigated Viva Supermarket stores for labor practices relating to the employment of undocumented workers and the treatment and pay of those workers. Loloee and other co-conspirators were all aware that many, and at times the majority, of the Viva Supermarket staff did not have authorization to work legally in the United States. Loloee and others took steps to discourage Viva Supermarket employees from complying with the investigations, including by directing those employees to lie about aspects of their employment. Loloee and a co-conspirator asked some employees who had received back wages in an earlier investigation to return those wages to Loloee. In addition, to avoid revealing the extent of the undocumented staff at the Viva Supermarket stores, and in an effort to reduce the amount of backwages that might be owed to those workers, in or about November 2020, Loloee provided the Department of Labor a list of employees, knowing that that many of the hire dates on that list were falsified to a later date, for the purpose of reducing the possible amount of back wages the agency might order. Loloee gave false statements to the Department of Labor about Viva Supermarket's history of paying employees off the books. These actions had the effect of obstructing the Department of Labor's ability to learn the true number of Viva Supermarket employees that would possibly have been entitled to backwages. Loloee also directed others to obstruct the DOL investigations.

Defrauding the IRS: In tandem with the employment of undocumented workers, Loloee used irregular methods of payment which allowed him to under-report both his federal payroll tax and his own personal income tax. Loloee, together with co-conspirators, maintained two sets of books—one official that was used to submit filings to the Internal Revenue Service, and one used only internally that was dubbed "Excess Payroll." Through the "Excess Payroll" set of books, Loloee tracked hidden payments to undocumented workers, to others, and to himself. Over time, the form of these hidden payments included cash, and an in-house check system called "Green Checks" that were redeemable only at the Viva stores. By using this hidden second set of books, Loloee and the other members of the conspiracy caused a tax loss of approximately $230,000 that Viva Supermarket owed the Internal Revenue Service. Loloee also avoided an individual tax liability of approximately $32,103 by not reporting wages he paid himself off the books.

Fraudulent SBA Loan and Money Laundering: In the aftermath of the COVID-19 pandemic, the Small Business Administration (SBA) offered a relief program, the Restaurant Revitalization Fund (RRF). On or about May 3, 2021, Loloee submitted to the SBA an RRF application listing the 2020 gross receipts for one of the stores as approximately $5.2 million, when Loloee knew the real gross receipts were approximately $7.7 million. Loloee did so because he knew that if he stated the true gross receipts, he would not qualify for the RRF loan. Based on this false representation, which was transmitted by interstate wire, Loloee received, via interstate wire, approximately $1.2 million in pandemic relief funds to which he was not entitled. Following the receipt of these funds, Loloee engaged in multiple transactions to route the funds through a trust account in the name of a family member, through business accounts in the names of other corporations Loloee controlled, and a personal bank account, with the completed movement of funds totaling approximately $949,000. Loloee's purpose in undertaking this movement of money was to hide the fact that the source of the funds was the pandemic relief fraud scheme he executed.

I have read and carefully reviewed with my attorney this Factual Basis for Pleas. I hereby affirm that the information in this Factual Basis for Pleas is true and correct. I also agree that, if this matter proceeded to trial, the United States could establish each of the facts contained within this Factual Basis for Pleas beyond a reasonable doubt, and that those facts satisfy the elements of the offenses to which I am pleading guilty. Additionally, I agree that this Factual Basis for Pleas is a summary made for the purpose of providing the Court with a factual basis for my guilty pleas, and it does not include all of the facts known to me concerning criminal activity in which I and others engaged.

Dated: 4-23-26

SHAHRIAR LOLOEE
Defendant